

Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 05959 040021Z

11

ACTION COME-00

INFO OCT-01 ARA-06 ISO-00 FEA-01 ERDA-05 AID-05 CEA-01

CIAE-00 CIEP-01 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-03 NSAE-00 NSC-05 OMB-01 PM-03 USIA-06

SAM-01 OES-03 SP-02 SS-15 STR-04 TRSE-00 FRB-03 /088 W

----- 051937

R 032325Z JUL 75

FM AMEMBASSY MEXICO

TO SECSTATE WASHDC 8709

LIMITED OFFICIAL USE MEXICO 5959

E.O. 11652: N/A

TAGS: BEXP, ENRG, ELEC, EMAE, MX

SUBJECT: CFE HYDROELECTRIC PROJECTS

REF: STATE 132791; MEXICO 5149; STATE 147700

1. ERIC WITSCHEY, MANAGER, ALEX SAITCEVSKY, SALES DIRECTOR, BOTH OF ALLIS CHALMERS MEXICO, AND ARCHIBALD SPEARS, ALLIS CHALMERS U.S., CALLED ON COMMERCIAL COUNSELOR AND ATTACHE TO BRING UP TO DATE INFORMATIN ON CFE PURCHASING PLANS.

EMBASSY MEETING WITH FARELL WAS DISCUSSED AND A-C REPS STATED THEY WERE TO MEET NEXT DAY WITH FARELL TO PRESENT THEIR POSITION. SPEARS FAVORED AGGRESSIVE APPROACH, MEETING PROBLEM HEAD ON, SINCE IN PRIOR MEETINGS FARELL HAD EXPRESSED SATISFACTION WITH A-C EQUIPMENT. DISCUSSION WAS MAINLY ON PLAN OF ACTION TO BE PURSUED.

2. SUBSEQUENT TO FARELL MEETING TWO MEXICAN REPS OF ALLIS CHALMERS AGAIN CALLED AT EMBASSY TO GIVE DETAILS. FARELL, WHILE NOT EFFUSIVE, WAS NOT UNFRIENDLY, TELLING THEM THAT A-C EQUIPMENT WAS CONSIDERED OF HIGH QUALITY AND WOULD BE CONSIDERED IN BIDDING. HE STATED THAT HE HAD RECENTLY MET WITH PRESIDENT OF ASEA OF SWEDEN DURING VISIT OF

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MEXICO 05959 040021Z

SWEDISH PRIME MINISTER AND THAT AT MOMENT SPECIFICATIONS

WOULD BE SENT ONLY TO RUSSIANS, ALLIS CHALMERS AND ASEA, BUT THAT IT IS UNDERSTOOD THAT BEST TERMS WOULD DECIDE BIDDING AND INDICATING THAT RUSSIANS HAD ALREADY OFFERED 10 YEARS AT 3 PERCENT. HE SEEMED ADAMANT ON THIS POINT. HE GAVE AS TIME FOR BIDS ONE MONTH FROM DATE OF RECEIPT OF SPECIFICATIONS, REQUIREMENT A-C FOUND TO BE COMPLETELY UNACCEPTABLE SINCE THEY WOULD NEED TWO MONTHS AS A MINIMUM THIS MAY MEAN THAT A-C WILL NOT QUOTE FARELL STATED AIRILY THAT CFE WORKS 24 HOURS - SO A-C COULD DO LIKEWISE. HE ALSO STATED ENIGMATICALLY THAT ALL BIDDING WOULD BE

NEGOTIATED AND DECIDED BY HIM AND THE SECRETARY OF NATIONAL PROPERTIES. SINCE FARELL IS LAWYER AND SECRETARY AN ECONOMIST, ABILITY OF EITHER TO JUDGE SUCH A TECHNICAL PROJECT AS THIS IS COMPLETELY RIDICULOUS.

3. NO MENTION WAS MADE OF FARELL'S PHEJECTED TRIP TO RUSSIA. SOURCES HAVE STATED THAT HIS TRIP WAS PUT OFF DUE TO VISIT OF SWEDISH PRIME MINISTER. OTHERS CLAIM THAT THIS WAS JUST BLUFF AND BROUGHT UP DURING EMBOFFS VISIT IN MOMENT OF PIQUE. FARELL IS STILL IN MEXICO WITH NO APPARENT PLANS TO TRAVEL.

4. OTHER INFORMATION PERTINENT TO CFE PROJECTS IS THAT CHARLES ROBBINS, PAST PRESIDENT OF ATOMIC INDUSTRIAL FORUM, NEW YORK CITY, CALLED ON ENGINEER ODON DE BUEN LOZANO, SUBDIRECTOR GENERAL OF CFE, WHO STATED HE IS GOING TO U.S. IN EARLY JULY TO NEGOTIATE CONTRACT WITH EBASCO SERVICES (OWNED BY BROWN AND ROOT) TO SUPERVISE NUCLEAR PROJECT BEING CARRIED OUT BY BURNS AND ROE.

5. EMBASSY WILL REPORT ANY SIGNIFICANT DEVELOPMENTS.
JOVA

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EQUIPMENT, SALES, HYDROELECTRIC POWER PLANTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 JUL 1975
Decapton Date: 01 JAN 1960
Decapton Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975MEXICO05959
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750232-0397
From: MEXICO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750788/aaaadapf.tel
Line Count: 95
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 132791, 75 MEXICO 5149, 75 STATE 147700
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 10 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 SEP 2003 by BoyleJA>; APPROVED <11 SEP 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CFE HYDROELECTRIC PROJECTS
TAGS: BEXP, ENRG, ELEC, EMAE, MX, US, ALLIS CHAMBERS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006